

SWING MEDIA TECHNOLOGY GROUP LIMITED

(Company Registration Number 30254)

(Incorporated in Bermuda on 26 March 2001)

RESPONSE TO SGX QUERIES ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

The Board of Directors of Swing Media Technology Group Ltd (the “Company”) refers to the query raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in its email of 18 July 2014 relating to the Company’s Annual Report for the financial year ended 31 March 2014 (“**Annual Report**”). The Company wishes to provide clarification as follow:

SGX QUERY

As required by Listing Rule 1207(20), please disclose a status report on the use of proceeds from any offerings pursuant to Chapter 8, including the Rights Issue undertaken in March 2014. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

COMPANY’S RESPONSE**UTILISATION OF PROCEEDS FROM RIGHTS SHARES**

The Board of Directors refers to the issue of 223,201,249 new ordinary shares (“Right Shares”) pursuant to a right issue (“Right Issue”), at an issue price of S\$0.0618 for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing ordinary shares of US\$0.01 each in the capital of the Company on 24 March 2014.

The net proceeds from the Rights Issue was approximately HK80.5 million (approximately S\$13.427 million) after deducting professional fees as well as related expenses incurred in connection with the Rights Issue.

As at 2 July 2014, the Company has not utilised the net proceeds of approximately HK80.5 million (approximately S\$13.427 million) from the Rights Issue.

The Company will make periodic announcements on the use of the Rights Issue proceeds as and when the funds from the Rights Issue are materially disbursed.

By order of the Board

Johnny Chan Hon Chung
Director / Company Secretary
21 July 2014